

CHRONICLE SUPPLEMENT.

Friday,

February 26, 1869.

The Profits and Losses —OF THE— INSURANCE BUSINESS!

In the days when insurance was unknown, every man had to bear the whole of his own losses by fire or shipwreck. If he was poor, and his case appealed especially to the sympathies of his friends, a contribution might be made on his behalf to replace some portion of what had been taken from him; but this was nothing which he could certainly count upon. Like Shakespeare's Merchant of Venice, all of his fortune might be swept away, and he rendered penniless in a single night. This happens even now, often, to those who are improvident enough not to insure their property. The hard earnings of years vanish before the flames or the waves, and leave their former possessors to begin life anew.

Insurance is a device whereby the effects of such calamities, instead of being concentrated upon single individuals, are divided up among many, and the burden thus borne by each is comparatively light. In its primitive form, it is an agreement between say a hundred men, that they will all equally contribute to make good the losses of any one of the number. If merchandise, ships or buildings belonging to one are destroyed, each of the other ninety-nine pays his one-hundredth part of their value, and thus the particular owner receives from his associates ninety-nine one-hundredths of his whole loss. The hundredth part of the amount, which he and all the rest pay, is called a PREMIUM. It is the price of a right to demand from others a contribution to replace the property destroyed, instead of being dependent upon their charity.

In practice, indeed, no such formal agreement is made. For the sake of economy and convenience, the business of insurance is carried on by a special class of men, or companies of men, who collect from each one of the insured his premium in advance, and out of the total thus collected pay to the losers the sums to which they are respectively entitled. Usually the men or companies fix the amount of the premiums at such rates as they think will meet all the losses likely to accrue, and leave them a surplus as a reward for their own trouble. If they calculate aright in this respect, and no unusual losses occur, they make money. If they miscalculate, and unexpected losses have to be borne, they lose. For the safety of the insured in this latter contingency, a fund is usually provided, called a capital, out of which losses can be paid if necessary. But as a general thing, the amount of the premiums must equal or exceed the amount of the losses and expenses, or the business must stop.

There is an impression prevalent among some who have not become acquainted with the facts connected with the subject, that insurance is an extremely profitable business, and that the companies engaged in it receive a vast deal more money, in the shape of premiums, than they pay out for losses. Statistics, however, demonstrate that this idea is an incorrect one. In the three years, 1865, 1866 and 1867, the fire and marine companies of this State received in premiums \$110,720,000, while they paid out, for losses and expenses, \$111,520,000. That is the aggregate insurance business, for three years, of all those engaged in it in this State, resulted in a loss of \$800,000. Some of the companies, to be sure, made money, but others had to draw upon their capitals, and the public actually gained \$800,000 at their expense.

These considerations show that a great deal of skill and knowledge is requisite to so manage the insurance business as to make the premiums cover the losses and expenses. Careful estimates of the risk to which each particle of property insured is exposed, and of the likelihood of its being destroyed, must be made. All the circumstances under which accidents occur must be observed and studied, and inferences drawn from

them. The average of losses in particular kinds of business must be noted, and premiums regulated accordingly. Even the personal character of those who apply for insurance must be taken into account, and allowance made for it. All this, and much more besides, is essential to the proper conduct of an insurance office—and without it, the business is sure to come to an unfortunate end.

Furthermore, it is apparent that not only must the men who attempt to carry on the business of insurance be competent to the task, but they must also have some other resources to meet their losses than merely the premiums they collect. With every precaution the losses will, as we have seen, sometimes exceed the premiums; and then, if there be no capital to fall back upon, those who hold policies are really not insured at all, and in case of a loss, fail of the relief they counted upon. Hence the necessity of some supervision of insurance companies to assure the public of their pecuniary ability, and to protect them from such bogus concerns as those which lately flourished in Jersey City—mere traps to catch premiums, without any expectation on the part of their managers of paying losses.—[New York Sun.

**GET YOUR
Fire, Marine and Life Insurance Policies of
C. H. JONES,
General Insurance Agent,
Clarksville, Tenn. If you
do, in the day of calamity
you will not regret it.**

Nov. 13, 1868-19.
[From the New York Herald.]
CURIOSITIES OF ADVERTISING.

**How Lost Money was Recovered
After a Lapse of Five Years.**

Stories romantic, stories tragic, stories of matters of commonplace fact, stories almost surpassing the furthest stretch of fancy, stories of all kinds, and each revealing more or less of that unusual though oft-quoted sequence about fact being stranger than fiction, might be given, based on developments brought to light through advertising. We give below a story in point—an "o'er true tale," and one of many that might be given—in connection with the "Personals" in the Herald:

Five years ago Mr. Homer E. Sawyer came to this city from Boston. He stopped at the Belmont Hotel, in Fulton street. He had \$1,650 in bank bills, which, for safe-keeping, he carried in his pantaloons watch pocket, and to make assurance doubly sure as to safety, kept his pocket pinned. Being en route to New Orleans, he went to a railroad ticket office, bought a ticket, and carefully pinned it as before and returned to his hotel. He shortly missed his money, but on examination found his pocket pinned. The only conclusion he could come to was that he had placed the roll of bills inside the waist of his pantaloons instead of in his watch pocket, and thus lost it. This was on January 8, 1864. It rained hard all day. The supposition was that the money soon got mixed up with the slush of snow and mud of the street, and with the street refuse—for they cleaned the streets in those days—would find its way to some dumping ground, an irremediable loss.

"What shall I do about it?" he asked Mr. J. P. Richards, proprietor of the Belmont Hotel, after reciting to him his loss.

"Advertise in the Herald," answered the keenly penetrative Mr. Richards.

The loss of the money, though with no statement of the amount, was ad-

vertised as Mr. Richards suggested, the finder to call on Mr. Richards.—There came no response to the advertisement. Mr. Sawyer went to New Orleans, where, two years ago, he died of yellow fever. That advertisement was seen in the Herald. The finder remembered it, remembered the name of Mr. Richards, to whom the information was asked to be given, remembered the hotel, remembered everything but giving back the money. The memory, in fact, haunted him—followed him through five years. The struggles of conscience none can know. He determined to restore the money, but with the determination resolved not to let himself be known. He wrote a note without signature to Mr. Richards, asking him to specify in the Herald's "personal" particulars of the loss of the money and to whom it belonged. The letter Mr. Richards received on the 4th of December last. In the next morning's Herald he inserted the following "personal":

Money lost—on Broadway, five years ago (snowy day), about \$1,650 in greenbacks; owner is dead; any communication for his widow, who is in very needy circumstances, will be gratefully received by J. R., for Mrs. H. Sawyer.

The above was not sufficiently explicit. Another letter, by the same anonymous hand, was written to Mr. Richards, upon which the following "personal" was published:

A.—Five years ago money lost—Mrs H. E. Sawyer, 171 Warren avenue, Boston; amount, \$1,650; smallest bill, \$50; the roll might have separated in losing.

But the anonymous letter writer was not satisfied. He wanted to know more about the death of the original owner of the money, and date of his marriage. The name of Waters was signed to this third note, with special request that the answer should be directed to this address, so there could be no mistake that he was holding his communication with the same party. The following third personal was the result of these further inquiries:

Waters—H. E. S.—Married October 28, 1858, Hopkinton, Mass., by Rev. E. S. Hill; died October 10, 1867, at New Orleans, of yellow fever. The remains were brought to Massachusetts and interred. By express to 141 West avenue.

In a fourth note the money-finder—for there can be no doubt, of course, but this was the individual writing—asks about the circumstances of the widow of the one losing the money, the expenses of advertising, and if there is no shadow of doubt that she is the widow of the original owner of the money. This calls out the following personal:

H. E. S. is the proper person; I can give bonds to that effect. Her only means of support is singing in a church. Paid ad't \$15. J. P. R.

It is unnecessary to trace this story out in all its minute details. The anonymous letter writer became satisfied with the correctness of Mr. Richards' statements. And we come to the end. A lady, closely veiled, restored the money to Mrs. Sawyer—not only the money lost, but interest on it from the day of its loss till the day of its restoration, and expenses of all advertising; altogether \$2,160. On the 19th instant this money was given to the widow and her fatherless children—the result of one instance of advertising.

THE GRATEFUL TRIO.

We not only make no charge for the following advertisement, but are generous enough to accord it the in-

estimable advantage of a place in our editorial column:—[Banner.

MADE AS GOOD AS NEW!!

THE UNDESIGNED RESPECT. fully announce that they are now fully prepared to touch up damaged characters and dilapidated political records in a style that can not fail to give unbounded satisfaction to their patrons restored and **MADE AS GOOD AS NEW.**

Special attention given to all chronic developments in **SCHOOL FUND** cases!

"UNDOUBTED LOYALTY."

Payment taken in notes on the Tennessee National Bank of Memphis, Hats, Clothing, Gold-headed Canes, or any other portable property. Apply to

SINGLETARY & THOMPSON.

Proprietors of the Infallible White-washing Remedy.

REFERENCES—F. S. Richards, James Mullins and S. M. Arnell.

THEY HAVE TRIED IT.

HOUSE OF REPRESENTATIVES, February 13, 1869.
Messrs. Singletary & Thompson:

I am in ecstasies at being permitted to testify to the efficacy of your infallible specific for the restoration of impaired reputations. Mine was as I feared, irreparably ruined, but your treatment has made a new man of me. I do not even hesitate to say that, officially and politically, I am a better man than I was before. As showing my "gratitude in a practical way," I herewith enclose you a check on George R. Rutter for \$6,000.

F. S. RICHARDS, Speaker.

ANOTHER!!

NASHVILLE, February 17, 1869.
Messrs. Singletary & Thompson:

During the late war my mental and physical energies were so severely taxed in executing a contract to furnish the Southern Confederacy with leather on an immense scale that my reputation was severely injured. Physicians seemed "in vain," but subsequently I placed myself under the care of Dr. Wm. G. Brownlow, who recommended a Radical change in my mode of life. This advice I followed with most beneficial effect, but when the School Fund epidemic broke out in the Legislature I suffered a terrible relapse. I went to Congress for a change of air, but my sufferings seemed to be only increased thereby. Some kind friend at last suggested that I should apply to you per telegraph. I did so and the world knows the result. God bless you, gentlemen! How "much I thank you" for thus rescuing me from the abyss of political despair! you can never know. You will always find me ready to serve you at any hour and in any cause!"

S. M. ARNELL,
M. C. 6th District.

STILL ANOTHER!!!

NASHVILLE, February 19, 1869.
Messrs. Singletary & Thompson:

While engaged in stamping my section of the State in 1861, for the purpose of raising a regiment to resist the invasion threatened by Lincoln's vandal hordes of Abolitionists, I suffered an injury to my reputation which at first threatened to blast my political prospects for life, but a loyal reaction having set in about the latter part of the next year, I realized its benefits so far that in 1865 a course of Rebel Disfranchisement quite restored me to my original status. To the devastating fever supposed to have been brought to Nashville a few months later by George R. Rutter, I, however, fell a victim. Washington air did me no good, and had it not been for your almost miraculous intervention I must have been politically dead ere this. Rest assured, gentlemen, that I shall ever remember you as two lovely spots in memory's waste, as the shadows of two great rocks in the desert, as the two roses of Sharon, and the two lilies of the valley; that, as two cedars are among the trees of Lebanon, so are you two among men!

JAMES MULLINS,
M. C. 4th District.

Special!

Coulter, Hillman & Co.

HAVE ESTABLISHED

A Branch House

—IN—

NEW PROVIDENCE,

Opposite the Wholesale Grocery of Messrs. Pettus & Bro., where they intend to keep, at all times, a general stock of

DRY GOODS

BOOTS, SHOES, HATS,

CLOTHING,

Hardware, Queensware,

PLOWS AND IRON,

which they will sell at uniformity

Low Prices For Cash Only!

WE RESPECTFULLY SOLICIT THE patronage of the citizens of New Providence, and all others who may wish to buy their supplies in that place, assuring all that the prices in the Branch House will be as low as in Clarksville or elsewhere.

WILLIAM F. COULTER

has charge of the business.

Very respectfully,

Coulter, Hillman & Co.

The Clarksville House

—IS NOW—

Well Supplied with Goods.

We added largely to our stock in December and January,

BEFORE THE RISE IN PRICES,

AND ARE OFFERING BARGAINS.

We invite every one to give us a call before buying.

Our Boot and Shoe stock is Prime.

Very respectfully,

Coulter, Hillman & Co.

Feb. 17, 1869-19